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MIKE LAHTI
MICHIGAN STATE REPRESENTATIVE
110TH DISTRICT

APPROPRIATIONS
SUBCOMMITTEES:
HUMAN SERVICES
JOINT CAPITAL OUTLAY
NATURAL RESOURCES (C)

MEMORANDUM

TO: House Colleagues
FROM: Representative Mike Lahti
RE: HB 5648
DATE: January 29, 2008

HB 5648 will, by amending Part 527 (Municipal Forests) of the Natural Resources & Environmental Protection Act, allow for a parcel of land subject to a municipal forest property reverter clause to be split when an indicator of "prime land" would otherwise encumber the entire parcel and prevent the parcel from being split for sale.

A school district in the Western U.P. has been operating with a substantial deficit this year reaching \$1.3 million. They have been trying for some time to sell a 40-acre parcel of municipal forest property land that is subject to a reversionary interest under Part 527. The DNR has refused to relinquish the state's reversionary interest on the parcel due to their belief that the parcel is "prime land" and provides access to a public body of water as defined in Part 527. The district believes the definitions of "prime land" and "public body of water" are somewhat inaccurate in this case, as the body of water in question is in reality a small creek with little to no local environmental or recreational significance.

Upon learning that the DNR believed the presence of the creek classified the parcel as "prime land", the district offered to split the parcel of land in question to maintain public access and ownership along the creek, but sell a separate 35-acre portion east of a road dividing the property as a compromise. The DNR would not permit the parcel to be split, stating that by law the creek encumbers the entire parcel.

This legislation will allow the parcel to be split and allow the DNR to relinquish the reverter on the property east of Gardner road, providing revenue to the school district and the state, while still maintaining "prime land" environmental protection along the creek in question. The resulting property would be around 35-acres in size. Attached is an aerial photo that outlines the property the school district would like to sell and the "public body of water" mentioned.

According to Section 52706 of NREPA, "Prime land" means municipal forestland that meets 1 or more of the following requirements:

- (i) Is within a boundary of a program administered by the department.
- (ii) Provides access to a public body of water.
- (iii) Is not less than 121 acres in size and, at any time during the preceding 10 years, had a basal area of not less than 90 square feet per acre.

Thank you. If you have any questions please feel free to call my office at 3-0850.

Legislative Analysis



MUNICIPAL FOREST PRIME LAND

Mitchell Bean, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 5648

Sponsor: Rep. Michael Lahti

Committee: Tourism, Outdoor Recreation and Natural Resources

Complete to 1-28-08

A SUMMARY OF HOUSE BILL 5648 AS INTRODUCED 1-22-08

Part 527 of the Natural Resources and Environmental Protection Act (NREPA) permits the Department of Natural Resources and the Department of Treasury to sell certain land to be used solely for forestry purposes to municipalities (counties, villages, townships, cities, and school districts), with the requirement that when such land is no longer used for forestry purposes, it reverts to the state. This public policy dates back to 1931. However, recent amendments to Part 527 removed the state's reversionary interest in parcels of municipal forestland except for land considered to be "prime land."

Section 52706 of NREPA contains a definition of prime land, which among other things includes land that (1) is within a boundary of a program administered by the DNR or (2) provides access to a public body of water.

House Bill 5648 would amend that section of the act to specify that if prime land is partitioned or split, a resulting parcel would not be considered prime land (under the definition cited above) unless the resulting parcel independently meets one of the two criteria cited above (namely, being within a boundary of a DNR program or providing access to a public body of water).

MCL 324.52706

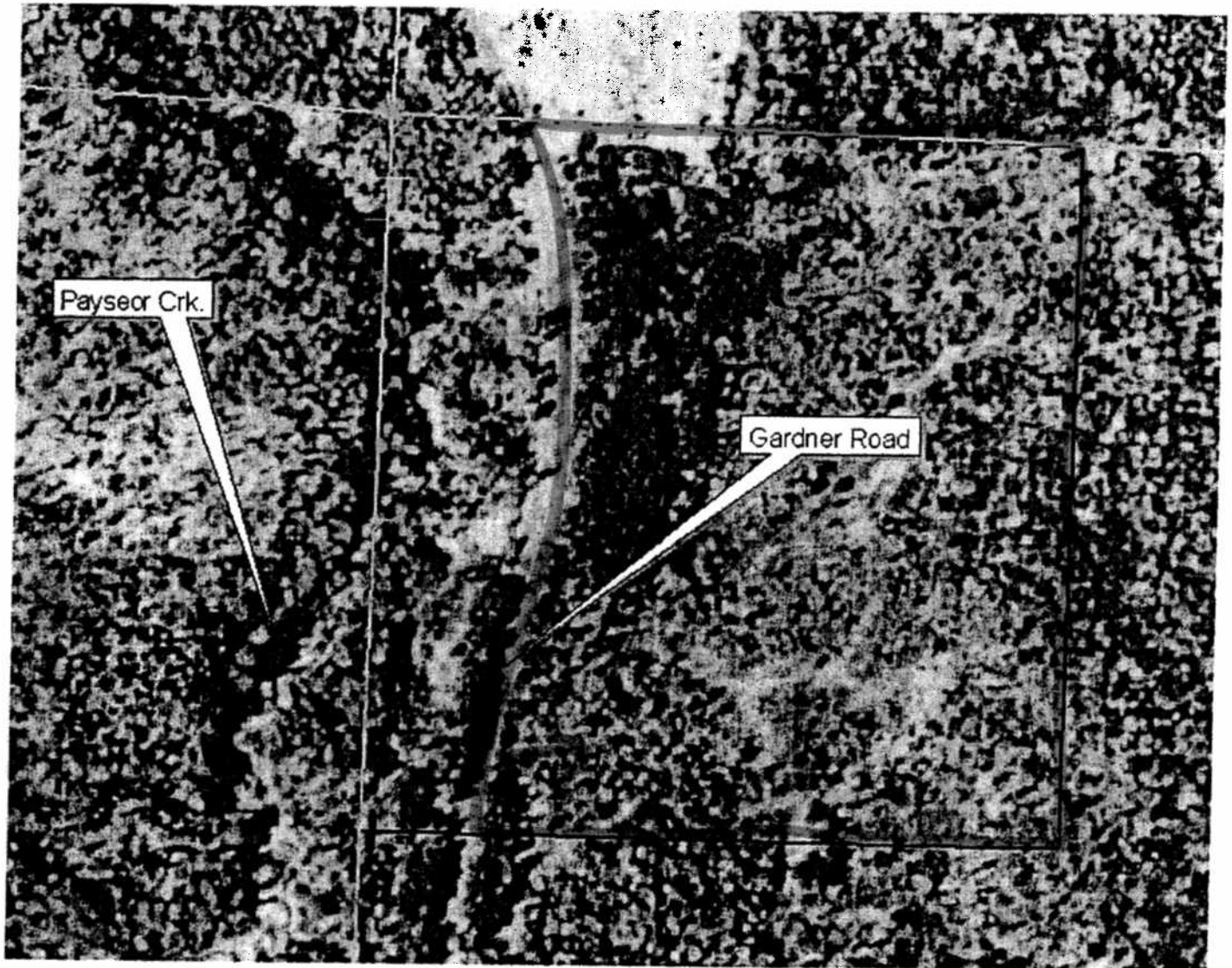
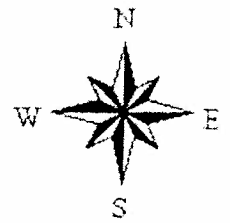
FISCAL IMPACT:

This bill would not have a fiscal impact on the state or on local governmental units.

Legislative Analyst: Chris Couch
Fiscal Analyst: Kirk Lindquist

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.

NW1/4NW1/4 T47NR38W



● "public body of water"

■ Municipal Forest Property
East of Gardner rd.



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